TRUNK GROUP PERFORMANCE

Function:	Interconnection Trunk Performance
Measurement Overview:	In order to ensure quality service to the CLECs as well as protect the integrity of the BST network, BST collects traffic performance data on the trunk groups interconnected with the CLECs as well as all other trunk groups in the BST network.
Measurement Methodology:	1. **Comparative Trunk Group Service Summary:** Provides comparative measurements of number of trunk groups exceeding the threshold in at least one measurement interval (1 hour) during the reporting month, as well as total number of trunk groups measured. 2. **Trunk Group Service Report**: Contains the service performance results of all final trunk groups(both BST administered trunk groups and CLEC administered trunk groups) between Point of Termination(POT) and BST tandems or end offices, by region, by CLEC, CLEC Aggregated and BST aggregate. Specifically measures total number of trunk groups, number of trunk groups measured, and the number of trunk groups with blocking factors exceeding the blocking threshold in one or more 1 hour measurement intervals during the report month. 3. **Trunk Group Service Detail:** Provides detail list of all final trunk groups between POTs and BST end offices or tandems (A end and Z end for BST Local trunks) including the actual blocking performance when blocking exceeds the measured blocking threshold. The blocking performance includes observed blocking number for a particular Trunk Group Serial Number(TGSN). Blocking thresholds for all trunk groups are 3%, except BST CTTG, which is 2%. Measured Blocking =[(Total number of Blocked Calls)/(Total number of Attempted Calls)] X 100

Reporting Dimensions:	Excluded Situations:
• BST Trunk Group Aggregate • CLEC Trunk Group Aggregate • CLEC Trunk Group Specific • State and Region Level	• Trunk Groups for which valid traffic data measurement unavailable.
Data Retained Relating to CLEC Experience:	**Data Retained Relating to BST Performance:**
• Report Month • Total Trunk Groups • Total Trunk Group for which data available • Threshold exceptions • Exceptions percent of the total • State and Region Level • Exception Trunk detail	• Report Month • Total Trunk Groups • Total Trunk Group for which data available • Threshold exceptions • Exceptions percent of the total • State and Region Level • Exception Trunk detail

TRUNK GROUP PERFORMANCE

1. Trunk Group Blockage Summary

CLEC 1		CLEC Aggregate		BST CTTG		BST Local	
# Trk Grps Blocked	Total Trk Grps Measured	# Trk Grps Blocked	Total Trk Grps Measured	# Trk Grps Blocked	Total Trk Grps Measured	# Trk Grps Blocked	Total Trk Grps Measured
X	X	X	X	X	X	X	X

2. Trunk Group Service Report

CLEC 1

Region

BST Administered	AL	GA	KY	LA	MS	NC	NF	SC	SF	TN	TOTAL
Total Trunk Groups:	x	x	x	x	x	x	x	x	x	x	x
Trk Grps Meas/ Proc:	x	x	x	x	x	x	x	x	x	x	x
Tot Grps > 3% observed blocking	x	x	x	x	x	x	x	x	x	x	x

CLEC Administered	AL	GA	KY	LA	MS	NC	NF	SC	SF	TN	TOTAL
Total Trunk Groups:	x	x	x	x	x	x	x	x	x	x	x
Trk Grps Meas/ Proc:	x	x	x	x	x	x	x	x	x	x	x
Tot Grps > 3% observed blocking	x	x	x	x	x	x	x	x	x	x	x

TOTAL	AL	GA	KY	LA	MS	NC	NF	SC	SF	TN	TOTAL
Total Trunk Groups:	x	x	x	x	x	x	x	x	x	x	x
Trk Grps Meas/ Proc:	x	x	x	x	x	x	x	x	x	x	x
Tot Grps > 3% observed blocking	x	x	x	x	x	x	x	x	x	x	x

CLEC Aggregate

Region

BST Administered	AL	GA	KY	LA	MS	NC	NF	SC	SF	TN	TOTAL
Total Trunk Groups:	x	x	x	x	x	x	x	x	x	x	x
Trk Grps Meas/ Proc:	x	x	x	x	x	x	x	x	x	x	x
Tot Grps > 3% observed blocking	x	x	x	x	x	x	x	x	x	x	x

CLEC Administered	AL	GA	KY	LA	MS	NC	NF	SC	SF	TN	TOTAL
Total Trunk Groups:	x	x	x	x	x	x	x	x	x	x	x
Trk Grps Meas/ Proc:	x	x	x	x	x	x	x	x	x	x	x
Tot Grps > 3% observed blocking	x	x	x	x	x	x	x	x	x	x	x

TOTAL	AL	GA	KY	LA	MS	NC	NF	SC	SF	TN	TOTAL
Total Trunk Groups:	x	x	x	x	x	x	x	x	x	x	x
Trk Grps Meas/ Proc:	x	x	x	x	x	x	x	x	x	x	x
Tot Grps > 3% observed blocking	x	x	x	x	x	x	x	x	x	x	x

TRUNK GROUP PERFORMANCE

BellSouth CTTG Trunk Group

Region

BST Administered	AL	GA	KY	LA	MS	NC	NF	SC	SF	TN	TOTAL
Total Trunk Groups:	x	x	x	x	x	x	x	x	x	x	x
Trk Grps Meas/ Proc:	x	x	x	x	x	x	x	x	x	x	x
Tot Grps > 2% observed blocking	x	x	x	x	x	x	x	x	x	x	x

Independent Administered

	AL	GA	KY	LA	MS	NC	NF	SC	SF	TN	TOTAL
Total Trunk Groups:	x	x	x	x	x	x	x	x	x	x	x
Trk Grps Meas/ Proc:	x	x	x	x	x	x	x	x	x	x	x
Tot Grps > 2% observed blocking	x	x	x	x	x	x	x	x	x	x	x

TOTAL

	AL	GA	KY	LA	MS	NC	NF	SC	SF	TN	TOTAL
Total Trunk Groups:	x	x	x	x	x	x	x	x	x	x	x
Trk Grps Meas/ Proc:	x	x	x	x	x	x	x	x	x	x	x
Tot Grps > 2% observed blocking	x	x	x	x	x	x	x	x	x	x	x

BellSouth Local Network

Region

BST Administered	AL	GA	KY	LA	MS	NC	NF	SC	SF	TN	TOTAL
Total Trunk Groups:	x	x	x	x	x	x	x	x	x	x	x
Trk Grps Meas/ Proc:	x	x	x	x	x	x	x	x	x	x	x
Tot Grps > 2% observed blocking	x	x	x	x	x	x	x	x	x	x	x

3. Trunk Group Service Detail

CLEC

ORDERED	TGSN	BST SWITCH	CLEC POT	DESC	OBSVD BLKG	TKS	DAYS	VAL RPTS	NBR RMKS	
					x	x	x	x	x	

BST Common Transport Trunk Group

TGSN	TANDEM	END OFFICE	DESCRPT	STUDY PERIOD	OBSVD BLKG	HR	TKS	VAL DAYS
x	x	x	x	x	x	x	x	x

BST Local Network										
ORDERED	TGSN	A- End	Z- End	DESC	OBSVD MAX BLKG	TKS	VAL DAYS	NBR RPTS	RMKS	
x	x	x	x	x	x	x	x	x	x	

TRUNK GROUP PERFORMANCE

Trunking Definitions

Field Name	Description	Data Type
Switch	Identifier for the BellSouth end of the Trunk Group. Part of 37 character Common Language Location Identifier(CLLI) code.	AlphaNum(11)
POT	Identifier for the CLEC Point of Termination(POT)of the Trunk Group. Part of 37 character Common Location Language Identifier(CLLI) code.	AlphaNum(11)
TANDEM	Identifier for the BellSouth Tandem end of the Trunk Group. Part of 37 character Common Language Location Identifier(CLLI) code.	AlphaNum(11)
END OFFICE	Identifier for the BellSouth End Office of the Trunk Group. Part of 37 character Common Location Language Identifier(CLLI) code.	AlphaNum(11)
A-END	Identifier for the BellSouth Originating/Low Alpha end of the Trunk Group. Part of 37 character Common Language Location Identifier(CLLI) code.	AlphaNum(11)
Z-END	Identifier for the BellSouth Terminating/High Alpha end of the Trunk Group. Part of 37 character Common Location Language Identifier(CLLI) code.	AlphaNum(11)
DESCRPT	Describes function/operation of the Trunk Group. Part of 37 character Common Language Location Identifier(CLLI) code.	AlphaNum(15)
TGSN	Unique trunk group identifier. (Trunk Group Serial Number)	AlphaNum(8)
OBSVD BLKG	Blocking ratio determined from traffic data measurement.(Total number of calls blocked/Total number of calls attempted)	Numeric

TRUNK GROUP PERFORMANCE

Trunking Definitions (Continued)

Field Name	Description	Data Type
TKS	Total number of trunks in service in a trunk group	Numeric
VAL DAYS	Total number of valid days of measurement	Numeric
NBR RPTS	Number of consecutive monthly reports for which the trunk group exceeded the measured blocking threshold	Numeric(2)
RMKS	Cause of blocking and/or release plan	AlphaNum

Appendix A: Reporting Scope

Standard Service Order Activities *These are the generic BST/CLEC service order activities which are included in the Pre-Ordering, Ordering, and Provisioning sections of this document. It is not meant to indicate specific reporting categories.*	• New Service Installations •· Service Migrations Without Changes • Service Migrations With Changes • Move and Change Activities • Service Disconnects (Unless noted otherwise)
Pre-Ordering Query Types:	• Address • Telephone Number • Appointment Scheduling • Customer Service Record • Feature Availability
Report Levels	• CLEC State • CLEC Region • Aggregate CLEC State • Aggregate CLEC Region • BST State • BST Region

Appendix B: Glossary of Acronyms and Terms

A	ACD	Automatic Call Distributor - A service that provides status monitoring of agents in a call center and routes high volume incoming telephone calls to available agents while collecting management information on both callers and attendants.
	AGGREGATE	Sum total of all items in like category, e.g. CLEC aggregate equals the sum total of all CLECs' data for a given reporting level.
	ASR	Access Service Request - A request for access service terminating delivery of carrier traffic into a Local Exchange Carrier's network.
	ATLAS	Application for Telephone Number Load Administration System - The BellSouth Operations System used to administer the pool of available telephone numbers and to reserve selected numbers from the pool for use on pending service requests/service orders.
	ATLASTN	ATLAS software contract for Telephone Number
B	BILLING	The process and functions by which billing data is collected and by which account information is processed in order to render accurate and timely billing.
	BOCRIS	Business Office Customer Record Information System - A front-end presentation manager used by BellSouth organizations to access the CRIS database.
	BRC	Business Repair Center - The BellSouth Business Systems trouble receipt center which serves large business and CLEC customers.
	BST	BellSouth Telecommunications, Inc.
C	CKTID	A unique identifier for elements combined in a service configuration
	CLEC	Competitive Local Exchange Carrier
	CMDS	Centralized Message Distribution System - Bellcore administered national system used to transfer specially formatted messages among companies.
	COFFI	Central Office Feature File Interface - A BellSouth Operations System database which maintains Universal Service Order Code (USOC) information based on current tariffs.
	COFIUSOC	COFFI software contract for feature/service information
	CRIS	Customer Record Information System - The BellSouth proprietary corporate database and billing system for non-access customers and services.
	CRSACCTS	CRIS software contract for CSR information
	CSR	Customer Service Record
	CTTG	Common Transport Trunk Group - Final trunk groups between BST & Independent end offices and the BST access tandems.

Appendix B: Glossary of Acronyms and Terms

D	DESIGN	Design Service is defined as any Special or Plain Old Telephone Service Order which requires BellSouth Design Engineering Activities
	DISPOSITION & CAUSE	Types of trouble conditions, e.g. No Trouble Found, Central Office Equipment, Customer Premises Equipment, etc.
	DLETH	Display Lengthy Trouble History - A history report that gives all activity on a line record for trouble reports in LMOS
	DLR	Detail Line Record - All the basic information maintained on a line record in LMOS, e.g. name, address, facilities, features etc.
	DOE	Direct Order Entry System - An internal BellSouth service order entry system used by BellSouth Service Representatives to input business service orders in BellSouth format.
	DSAP	DOE (Direct Order Entry) Support Application - The BellSouth Operations System which assists a Service Representative or similar carrier agent in negotiating service provisioning commitments for non-designed services and UNEs.
	DSAPDDI	DSAP software contract for schedule information
E	E911	Provides callers access to the applicable emergency services bureau by dialing a 3-digit universal telephone number.
	EDI	Electronic Data Interchange - The computer-to-computer exchange of inter and/or intra company business documents in a public standard format.
F	FLOW-THROUGH	In the context of this document, orders that are processed mechanically without human intervention.
	FOC	Firm Order Confirmation - A notification returned to the CLEC confirming that the LSR has been received and accepted, including the specified commitment date.
G		
H	HAL	"Hands Off" Assignment Logic - Front end access and error resolution logic used in interfacing BellSouth Operations Systems such as ATLAS, BOCRIS, LMOS, PSIMS, RSAG and SOCS.
	HALCRIS	HAL software contract for CSR information
I	ISDN	Integrated Services Digital Network
K		

Appendix B: Glossary of Acronyms and Terms

L	LCSC	Local Carrier Service Center - The BellSouth center which is dedicated to handling CLEC LSRs, ASRs, and Preordering transactions along with associated expedite requests and escalations.
	LEGACY SYSTEM	Term used to refer to BellSouth Operations Support Systems (see OSS)
	LENS	Local Exchange Negotiation System - The BellSouth LAN/web server/OS application developed to provide both preordering and ordering electronic interface functions for CLECs.
	LEO	Local Exchange Ordering - A BellSouth system which accepts the output of EDI, applies edit and formatting checks, and reformats the Local Service Requests in BellSouth Service Order format.
	LESOG	Local Exchange Service Order Generator - A BellSouth system which accepts the service order output of LEO and enters the Service Order into the Service Order Control System using terminal emulation technology.
	LMOS	Loop Maintenance Operations System - A BellSouth Operations System which stores the assignment and selected account information for use by downstream OSS and BellSouth personnel during provisioning and maintenance activities.
	LMOS HOST	LMOS host computer
	LMOSupd	LMOS updates
	LNP	Local Number Portability - In the context of this document, the capability for a subscriber to retain his current telephone number as he transfers to a different local service provider.
	LOOPS	Transmission paths from the central office to the customer premises.
	LSR	Local Service Request - A request for local resale service or unbundled network elements from a CLEC.
M	MAINTENANCE & REPAIR	The process and function by which trouble reports are passed to BellSouth and by which the related service problems are resolved.
	MARCH	A BellSouth Operations System which accepts service orders, interprets the coding contained in the service order image, and constructs the specific switching system Recent Change command messages for input into end office switches.
N	NC	"No Circuits" - All circuits busy announcement

Appendix B: Glossary of Acronyms and Terms

O	OASIS	Obtain Availability Services Information System - A BellSouth front-end processor which acts as an interface between COFFI and RNS. This system takes the USOCs in COFFI and translates them to English for display in RNS.
	OASISBSN	OASIS software contract for feature/service
	OASISCAR	OASIS software contract for feature/service
	OASISLPC	OASIS software contract for feature/service
	OASISMTN	OASIS software contract for feature/service
	OASISNET	OASIS software contract for feature/service
	OASISOCP	OASIS software contract for feature/service
	ORDERING	The process and functions by which resale services or unbundled network elements are ordered from BellSouth as well as the process by which an LSR or ASR is placed with BellSouth.
	OSPCM	Outside Plant Contract Management System - Provides Scheduling Information.
	OSS	Operations Support System - A support system or database which is used to mechanize the flow or performance of work. The term is used to refer to the overall system consisting of hardware complex, computer operating system(s), and application which is used to provide the support functions.
	OUT OF SERVICE	Customer has no dial tone and cannot call out.
P	POTS	Plain Old Telephone Service
	PREDICTOR	The BellSouth Operations system which is used to administer proactive maintenance and rehabilitation activities on outside plant facilities, provide access to selected work groups (e.g. RRC & BRC) to Mechanized Loop Testing and switching system I/O ports, and provide certain information regarding the attributes and capabilities of outside plant facilities.
	PREORDERING	The process and functions by which vital information is obtained, verified, or validated prior to placing a service request.
	PROVISIONING	The process and functions by which necessary work is performed to activate a service requested via an LSR or ASR and to initiate the proper billing and accounting functions.
	PSIMS	Product/Service Inventory Management System - A BellSouth database Operations System which contains availability information on switching system features and capabilities and on BellSouth service availability. This database is used to verify the availability of a feature or service in an NXX prior to making a commitment to the customer.
	PSIMSORB	PSIMS software contract for feature/service
Q		
R	RNS	Regional Negotiation System - An internal BellSouth service order entry system used by BellSouth Consumer Services to input service orders in BellSouth format.
	RRC	Residence Repair Center - The BellSouth Consumer Services trouble receipt center which serves residential customers.
	RSAG	Regional Street Address Guide - The BellSouth database which contains street addresses validated to be accurate with state and local governments.
	RSAGADDR	RSAG software contract for address search
	RSAGTN	RSAG software contract for telephone number search

Appendix B: Glossary of Acronyms and Terms

S	SOCS	Service Order Control System - The BellSouth Operations System which routes service order images among BellSouth drop points and BellSouth Operations Systems during the service provisioning process.
	SOIR	Service Order Interface Record - any change effecting activity to a customer account by service order that impacts 911/E911.
T	TAFI	Trouble Analysis Facilitation Interface - The BellSouth Operations System which supports trouble receipt center personnel in taking and handling customer trouble reports.
	TN	Telephone Number
U	UNE	Unbundled Network Element
V		
W	WTN	A unique identifier for elements combined in a service configuration
X		
Y		
Z		
Σ		Sum of:

BEFORE THE
MISSISSIPPI PUBLIC SERVICE COMMISSION

DOCKET NO. 97-AD-0321   IN RE: CONSIDERATION OF THE
                                                  PROVISION OF IN-REGION
MISSISSIPPI PUBLIC SERVICE   INTERLATA SERVICES BY
COMMISSION   BELLSOUTH TELECOMMUNICA-
                                                  TIONS, INC. PURSUANT TO
                                                  SECTION 271 OF TA96

ORDER

COMES NOW, the Mississippi Public Service Commission ("Commission") and upon

due consideration of all the evidence in this proceeding, including, but not limited to, the

parties' prefiled direct and rebuttal testimonies, the live testimony and exhibits presented at

the Hearings, responses to the Commission's Order Requesting Information, the revised

Statement of Generally Available Terms and Conditions along with the documentation in

support thereof, and the written comments of the parties, the Commission finds as follows:

I. INTRODUCTION AND PROCEDURAL HISTORY

Section 271(d) of the Telecommunications Act of 1996 ("TA 96") provides that a Bell

Operating Company ("BOC") or its affiliate may apply to the Federal Communications

Commission ("FCC") at any time after the date of enactment for "authorization to provide

interLATA services originating in any in-region State." This section of TA 96 requires that

the FCC issue within ninety (90) days a written determination either approving or denying the

requested authorization. Moreover, Section 271(d)(2)(B) further provides as follows:

> (B) CONSULTATION WITH STATE COMMISSIONS --Before
> making any determination under this subsection, the Commission shall
> consult with the State commission of any State that is the subject of the
> application in order to verify the compliance of the Bell operating
> company with the requirements of subsection (c).
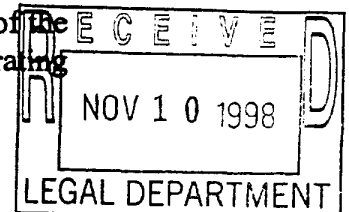
In order "to enable it to meet its obligations under TA 96" and so "that the public interest of the citizens of Mississippi" and "the interest of the parties expected to be involved in these proceedings can be served," this Commission opened the instant docket on June 4, 1997, to undertake its consultative role to the FCC as set forth in Section 271(d)(2)(B) of TA 96. The Order required BellSouth Telecommunications, Inc. ("BellSouth"): (1) to notify the Commission of its plans to file an application with the FCC to provide in-region interLATA service "at least 120 days prior to filing a 271 application with the FCC," and to include with that notification: (a) the evidence upon which BellSouth would rely to meet the various provisions of Section 271(c)(1)(A) and/or Section 271(c)(1)(B) of TA 96; (b) the evidence to be relied upon to show that each requirement of the Section 271 competitive checklist has been met; and (c) any evidence which BellSouth would wish to provide on the issue of whether in-region interLATA entry is in the public interest; and (2) to file a "draft" statement of generally available interconnection terms and conditions (in the event the evidence to be relied upon by BellSouth should include such a statement) and subsequently file an "official" statement of generally available interconnection terms and conditions with supporting testimony pursuant to a Commission adopted procedural schedule which was also set out in the Order.

Through a series of Orders subsequent to the Commission's June 4, 1997 Order, the Commission granted petitions to intervene from the following parties: AT&T Communications of the South Central States, Inc. ("AT&T"); Sprint Communications Company, L.P. ("Sprint"); Telecommunications Resellers Association, Inc. ("TRA"); Mississippi Cable Telecommunications Association ("MCTA"); CommuniGroup of Jackson,

Inc. and CommuniGroup of North Alabama, Inc. (collectively "CommuniGroup"); MCI Telecommunications Corporation ("MCI"); American Communication Services of Jackson, Inc. ("ACSI"); Bay Springs Telephone Company, Bruce Telephone Co., Decatur Telephone Co., Inc., Delta Telephone Company, Inc., Franklin Telephone Company, Inc., Georgetown Telephone Company, Inc., Lakeside Telephone Company, Inc., Sledge Telephone Company, Inc. and Smithville Telephone Company, Inc. (collectively the "Listed Independent Companies"); DeltaCom, Inc. ("DeltaCom"); Entergy Hyperion Telecommunications of Mississippi, L.L.C. ("Hyperion"); Communications Workers of American ("CWA"); BellSouth Long Distance, Inc. ("BSLD"); WorldCom Technologies, Inc. ("WorldCom"); Cellular Holding, Inc. ("CHI"); Time Warner Entertainment Company, L.P. ("Time Warner") (limited intervention); Brooks Fiber Communications of Mississippi, Inc. ("Brooks Fiber"); and the Mississippi Attorney General ("Attorney General").

On July 16, 1997, pursuant to the Commission's Order of June 4, 1997, initiating this docket, BellSouth notified the Commission of its intent to file a Section 271 application with the FCC on or after November 13, 1997 and also submitted for approval pursuant to Section 252 of TA 96 a "draft" Statement of Generally Available Terms and Conditions ("Statement" or "SGAT") and supporting testimony and exhibits. BellSouth requested the Commission to review and approve the SGAT pursuant to Section 252(f) of TA 96 and to certify that the access and interconnection generally offered by BellSouth through the SGAT meets the requirements of the competitive checklist contained in Section 271(c)(2)(B) of TA 96.

Subsequently, on July 29, 1997, the Commission issued a Scheduling Order "to facilitate the handling of the proceedings in this cause." The Order provided dates certain for:

intervention by interested parties (August 15, 1997); the filing by BellSouth of its "official" SGAT along with supporting testimony (September 15, 1997); deadline for submission of Data Requests (September 24, 1997); the filing of rebuttal testimony by all parties (September 29, 1997); and the date for hearings (October 28-31, 1997). Accordingly, on September 15, 1997, BellSouth filed its "official" SGAT and supporting testimony with the Commission. On September 15, 1997, AT&T served its initial set of Interrogatories and Request for Production of Documents upon BellSouth. On September 24, 1997, BellSouth served its discovery upon certain intervening parties and AT&T served a second set of discovery upon BellSouth. In due course, the responses to these discovery requests were filed. On September 29, 1997, all parties desiring to file rebuttal testimony did so.

On October 8, 1997, the Commission entered an Order Requesting Information in which all certificated competing local exchange carriers ("CLECs") were ordered to provide the Commission with sworn responses to a set of thirteen (13) questions regarding the status of competition in the local exchange market in Mississippi. The initial responses were due on October 23, 1997, and, thereafter, on a monthly basis beginning December 1, 1997 until further ordered by this Commission. The Commission continues to use this process to monitor the status of local competition in this State through the information and responses received from various CLECs.

On October 9, 1997, the Commission entered a Procedural Order in order "to facilitate and expedite the hearing and disposition of this cause." The Commission's Procedural Order also directed BellSouth to present a live demonstration of its wholesale provisioning and repair interfaces which are used by CLECs to compete with BellSouth and directed that the

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BellSouth witness making such operations support systems ("OSS") demonstration, be subject to cross examination regarding the demonstration. The Commission further directed all parties to file written summaries of each witness' prefiled testimony.

On October 9, 1997, MCI filed a Motion for Declaratory Order seeking to have this Commission issue an order finding that BellSouth is foreclosed from seeking in-region, interLATA entry under Track B in Mississippi. On that same date, Sprint filed a Joinder in support of MCI's Motion and also sought to have the Commission disregard BellSouth's SGAT filed as part of its Section 271 filing in this docket. On October 20, 1997, BellSouth filed its Response to MCI's Motion and to Sprint's Joinder thereto. Later, on October 21, 1997, AT&T filed a Joinder supporting MCI's Motion. By Order dated October 27, 1997, this Commission denied MCI's Motion for Declaratory Order along with Sprint's and AT&T's Joinder to that Motion. In doing so, the Commission noted that Section 271 places the decision on whether BellSouth may follow Track B with the FCC. Nonetheless, this Commission has a statutory duty to consider all relevant evidence, including evidence as to both Track A and Track B and evidence as to BellSouth's SGAT, in order to properly carry out its consultative role under TA 96.

On October 20, 1997, AT&T filed a Motion for Clarification and Modification of the Commission's October 9, 1997 Procedural Order. AT&T sought to have the Commission allow AT&T and other CLECs to request a particular service and furnish the informational inputs as well as to be allowed to conduct cross examination and ask clarifying questions during the OSS demonstration that the Commission had ordered BellSouth to present at the hearing. AT&T also sought to have the Commission order BellSouth to conduct a second

demonstration which would be a demonstration of BellSouth's systems used for its own customers. BellSouth filed its Response in Opposition to AT&T's Motion on October 24, 1997. By Order dated October 27, 1997, the Commission found that AT&T's Motion for Clarification and Modification was a Motion *in limine* and that it had been untimely filed. However, the Commission did clarify and modify its Procedural Order to require BellSouth to keep the connection to its CLEC interfaces active and available for use during any cross-examination of the BellSouth witness presenting the OSS demonstration at the Hearing.

At the evidentiary Hearing, which began as scheduled on October 28, 1997, BellSouth offered the testimony of Alphonso J. Varner, Gloria Calhoun, W. Keith Milner, and Jerry W. Moore. Intervenor BellSouth Long Distance, Inc. ("BSLD") offered the testimony of William E. Taylor, Michael Raimondi, and James G. Harralson. AT&T presented the testimony of John M. Hamman, Jay Bradbury, Joseph Gillan (co-sponsored by MCI and WorldCom), and Katherine M. Daily. ACSI presented the testimony of James C. Falvey. Brooks Fiber submitted the testimony of Gene Miller. Sprint offered the testimony of Melissa L. Closz. The Hearing was concluded on the fourth day, October 31, 1997.

Under Section 252(f)(3) of TA 96, a State commission has 60 days within which to complete its review of a Statement of Generally Available Terms and Conditions, unless the submitting carrier agrees to an extension of this review period. Unless a State commission approves or rejects the Statement within the statutory review period (and any extension agreed to by the submitting carrier), the Statement is permitted to take effect. By letter dated November 26, 1997, BellSouth agreed to extend the time for the Commission's review of its

SGAT until December 15, 1997. Because the Commission did not enter an order approving or rejecting BellSouth's SGAT by that date, the SGAT was permitted to take effect.

On September 8, 1997, the Commission entered an Order establishing a generic docket to consider and determine "permanent" prices for CLECs to purchase unbundled network elements from BellSouth. After various parties intervened, discovery was taken by a number of parties and testimony was prefiled. The Commission conducted an evidentiary Hearing on March 30- April 2, 1998. Ultimately, on August 25, 1998, the Commission entered its Order adopting rates for BellSouth's unbundled network elements.

Also, on September 8, 1998, BellSouth filed revisions to its SGAT and provided additional information concerning steps BellSouth had taken to address issues raised by the FCC in connection with BellSouth's applications with the FCC for interLATA authority in South Carolina and Louisiana. *See* Memorandum Opinion and Order, *Application of BellSouth Corporation Pursuant to Section 271 of the Communications Act of 1934, as Amended, To Provide In-Region, InterLATA Services in South Carolina,* 13 FCC Rcd 593 (1997) ("*South Carolina Order*") and Memorandum Opinion and Order, *Application of BellSouth Corporation Pursuant to Section 271 of the Communications Act of 1934, as Amended, To Provide In-Region, InterLATA Services in Louisiana,* 13 FCC Rcd 6234 (1998) ("*Louisiana Order*"). In general, BellSouth revised its SGAT to: (1) incorporate Commission adopted cost-based rates for interconnection, unbundled network elements, rights-of-way, and collocation established by the Commission in Docket 97-AD-544; (2) offer interconnection at the BellSouth local tandems; (3) make clear that virtual collocation is available at the CLEC's request; (4) clarify the method by which BellSouth will provide certain combinations of

unbundled network elements and the price for such combinations; (5) make Contract Service Arrangements ("CSAs") available for resale at the applicable wholesale discount; (6) substitute a more comprehensive set of performance measures called "Service Quality Measurements" ("SQMs"); (7) enable CLEC's to obtain access to customer service record information under a blanket letter of authorization; (8) offer Access Daily Usage File ("ADUF") billing information capability; and (9) make available additional methods of interim number portability.

On September 9, 1998, the Commission entered an Order notifying the parties that BellSouth had filed revisions to its SGAT and giving interested parties the opportunity to file comments on or before September 22, 1998.

On September 16, 1998, AT&T filed a Motion to clarify and requesting a revised procedural schedule. Specifically, AT&T requested that the Commission "clarify" that the comments filed by the parties would be considered solely for purposes of reviewing BellSouth's SGAT under Section 252(f) and not for determining BellSouth's compliance with the requirements of Section 271. AT&T also asked that the Commission conduct evidentiary hearings, but requested that such hearings be deferred until after the parties had an opportunity to engage in discovery and after the FCC had issued its decision on BellSouth's second application for interLATA authority in Louisiana. The Commission denied AT&T's Motion by order entered on September 17, 1998.

On September 18, 1998, WorldCom/MCI/Brooks Fiber filed a Motion requesting that the Commission amend its September 9, 1998 Procedural Order. The Motion asked the Commission to establish a separate docket to consider BellSouth's compliance with the

requirements of Section 271 and to grant additional time to file comments concerning the revisions to BellSouth's SGAT. By Order entered on September 22, 1998, the Commission denied the Motion to establish a separate docket, but granted all parties additional time until October 13, 1998 to file comments.

On September 23, 1998, Sprint filed a Motion to sever, requesting that the Commission establish separate dockets to consider BellSouth's revisions to its SGAT and BellSouth's compliance with the requirements of Section 271 of TA 96. On September 25, 1998, the Commission entered an Order denying Sprint's Motion and affirming that the parties had until October 13, 1998 within which to file comments. The time for filing comments was subsequently extended by the Commission until October 19, 1998.

The following parties submitted written Comments in response to the Commission's September 9, 1998 Procedural Order: Sprint, AT&T, MCI/WorldCom, and e.spire. AT&T also filed the Affidavits of Jay M. Bradbury, John M. Hamman, Donna Hassebrock, Robert V. Falcone, and Katherine M. Dailey.

After due consideration of these Comments, together with the evidence admitted at the Hearing, and the entire record in this matter, the Commission makes the following findings and determinations in this docket.[1]

II.   BELLSOUTH ENTRY INTO THE INTERLATA MARKET IS IN THE
       PUBLIC INTEREST

This Commission seeks to fulfill its obligation to determine whether BellSouth's entry into the Mississippi interLATA market for long-distance service is in the public interest. This

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[1] During the pendency of these proceedings, Southern District Commissioner Curt Hebert resigned from the Commission to accept an appointment with the Federal Energy Regulatory Commission. His replacement, Commissioner George Byars, abstained from voting in this proceeding.

task is consistent with the expectations of the FCC. (Memorandum Opinion and Order, *Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as Amended, To Provide In-Region, InterLATA Services in Michigan,* 13 FCC Rcd 20543 ¶¶ 381 & 399 (1997) ("*Michigan Order*"); and Address of FCC Chairman Reed Hundt to the NARUC Convention, November 20, 1996). It is also consistent with this Commission's fundamental role to make decisions that are in the best interest of the citizens of Mississippi. As the context for this analysis, the Commission recognizes that one of the primary purposes of TA 96 was to open telecommunications markets to competition and to facilitate the public benefits that arise therefrom: lower prices, greater consumer choice, and improved service and product offerings.

On this issue, BSLD witnesses Dr. William E. Taylor, Senior Vice-President of National Economic Research Associates, Inc., and Mr. Michael Raimondi, Executive Vice President of The WEFA Group, testified that the national long distance market has been characterized by behavior that demonstrates that the interLATA market is not truly competitive and that BellSouth's entry will result in a more competitive marketplace. Specifically, the basic long distance rates of the three largest interexchange carriers -- AT&T, MCI, and Sprint -- have increased in lockstep with each other over the past several years, while, at the same time, access charges paid by the interexchange carriers ("IXCs") have declined.

The Commission focuses its "public interest test" inquiry on the long distance market and whether BellSouth's entry into that market is in the public interest. BellSouth's entry into long distance will also benefit local services competition. In the past, when the FCC has

looked at bringing competitors into a new market, it has examined the impact of those new competitors on the market they seek to enter. BellSouth, through its affiliate BSLD, now seeks to enter the long-distance market, which will bring more competition to that market.

Dr. Taylor explained that entry by BellSouth into the long distance market will promote competition in the long-distance market by increasing (1) the number of effective facilities-based competitors, (2) the diversity of cost characteristics, (3) the diversity of the product mix of the long distance competitors, and (4) the rate of technological change. This evidence is consistent with the findings of the FCC in its April 17, 1997 Order in CC Docket Nos. 96-149 ("Second Report and Order") and 96-61 ("Third Report and Order"). In those Orders, the FCC classified the interLATA affiliates of BOCs, such as BSLD, as non-dominant carriers for the provision of in-region service and further stated :

> We find that the entry of the BOC interLATA affiliates into the provision of interLATA services has the potential to increase price competition and lead to innovative new services and marketing efficiencies. We see no reason to saddle the BOC interLATA affiliates with regulations that are not well-suited to prevent the risks associated with BOC entry into in-region, inter-state, domestic, interLATA services.

FCC April 17, 1997 Order at ¶ 92.

According to Mr. Raimondi, BellSouth's entry into the interLATA market will result in a twenty-five percent (25%) reduction in the market price for long distance services over the next five (5) years. Dr. Taylor also testified that he expected "interLATA rates in Mississippi to fall by 25 percent on average" once BellSouth is granted interLATA authority.

Substantial evidence was offered by Dr. Taylor from other jurisdictions that incumbent LECs will bring significant competition at lower rates than prices charged by the IXCs as they

begin to enter long distance markets.   For example, Bell Atlantic has provided interstate interLATA services in the New Jersey-New York and New Jersey-Philadelphia corridor, and Bell Atlantic's basic interLATA rates for these corridors are approximately twenty percent (20%) to thirty percent (30%) lower than those of AT&T, MCI, and Sprint.   In addition, Southern New England Telephone's ("SNET") interLATA long distance offering in Connecticut is priced approximately twenty percent (20%) below the basic rates charged by AT&T.   SNET's entry into the interLATA market in Connecticut generated such robust competition that AT&T was forced to respond with a statewide rate reduction for long distance.   As another example, SBC Cellular, after passage of the Federal Act, offered long distance rates to its cellular customers at a rate nearly forty percent (40%) below the then prevailing rate from AT&T.   This actual experience from other jurisdictions clearly demonstrates the tangible benefits of RBOC entry into the interLATA market.   Similar price reductions would likely occur in the Mississippi interLATA marketplace as a result of BellSouth's entry.

BSLD witness Mr. Raimondi analyzed the public benefits of this competition in Mississippi and projected its consequences to the state's economy.   He forecasts that BellSouth's entry into the interLATA market will result in economic gains of an additional $651 million in real Gross State Product for Mississippi and the creation of 8,287 additional jobs over the first ten years of competition. These benefits are the result of price reductions, productivity gains and quality improvements in the use of information services, and increased labor force participation.   No evidence was presented that the WEFA model was not an

accurate method of forecasting the economic impact of BellSouth's entry in the long-distance market.

Another benefit to consumers of increased long-distance choices and potential one-stop shopping from BellSouth's entry is greater incentives for the IXCs to enter the local market, and, consequently, more local services competition. As the information furnished by AT&T, Sprint, and MCI in response to the Commission's Order Requesting Information makes clear, these IXCs currently are not providing local exchange service in Mississippi and have made no discernible effort to do so for more than two (2) years. BellSouth's entry into long distance will transform BellSouth from the IXCs' primary supplier of telecommunications services into one of their competitors. As Dr. Taylor explained, because long distance companies such as AT&T, MCI, and Sprint will not want to be as dependent upon BellSouth as they are today for services, BellSouth entry will encourage them to construct facilities in Mississippi over which they can provide bundled long distance and local service.

Dr. Taylor testified that the IXCs do not see any economic benefit to providing broad-based local service in Mississippi because it is a low margin, high volume business. Instead, the IXCs would rather selectively "cherry-pick" the most lucrative business customers with combined local and long-distance offerings that BellSouth cannot provide without section 271 relief. Without effective one-stop shopping competition, such an arrangement would not only deny most Mississippians the benefits of greater local service competition, but would also threaten BellSouth's ability to continue the provision of high quality, affordable local exchange service and to meet its universal service requirements.